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No. 79-1112

In the Supreme Court of the United States

OCTOBER TERM, 1979

SIDNEY A. DIAMOND, COMMISSIONER OF PATENTS AND TRADEMARKS, PETITIONER

v.

JAMES R. DIEHR, II, AND THEODORE A. LUTTON

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

REPLY MEMORANDUM FOR THE PETITIONER

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1. Respondents contend (Resp. Br. 42–43, 18, 46) that their rubber molding process has three novel features: (1) the repetitive determination of the exact temperature in the mold; (2) the recalculation of the cure time at very short intervals; and (3) the use of a temperature probe that will not damage the precision molded product. The Patent and Trademark Office Board of Appeals found, however, that the "only difference between the conventional methods of operating a molding press and that claimed * * * rests in

those steps * * * which relate to the calculation incident to the solution of the mathematical problem or formula" (Pet. App. 24a). The Court of Customs and Patent Appeals did not disturb the Board's determination (*id.* at 13a). In this Court respondents are thus obliged to show that on the Patent Office record the Board's finding is clearly erroneous. They have failed to do so.

Respondents do not dispute that like their claims the Gould and Davis patents cited by the examiner (Pet. App. 30a) describe a repetitive determination of the exact temperature in the mold (Resp. Br. 13 n.11, 42; see Pet. App. 63a, 67a, 71a, 75a, 78a). Nonetheless, they assert that their process involves two improvements over those of Gould and Davis: first, that unlike Gould and Davis they do not use temperature probes that could damage precision products; and second, that the Gould and Davis calculation is performed only once per minute while theirs is done much more often (Resp. Br. 42). Although the later Gould and Davis patent involved inserting the probe into the molded article (Pet. App. 63a), their earlier patent claimed the very method of measuring temperature respondents describe in their specification—sensing the temperature at the surface of the article (compare Pet. App. 73a, 78a with Pet. App. 45a). Moreover, claim 7 of their later patent refers to computing the state of cure at "regular intervals or continuously" (*id.* at 72a), in other words, "at every instant" (*id.* at 68a; cf. respondents' specification, Pet. App. 41a). The prior disclosure by Gould and Davis of the very procedures here claimed by respondents to be novel undoubtedly

explains why respondents, when summarizing their invention before the Patent Office, did not even mention the advances over prior art upon which they rely in this Court (compare Resp. Br. 42–43 with Pet. App. 41a–42a). Instead, they stressed their use of a computer to improve the cure (Pet. App. 41a–42a).[1]

2. Respondents further argue (Resp. Br. 40–41) that the Patent Office must have resolved in their favor the factual issue just discussed because during the prosecution of their original application[2] they overcame an obviousness rejection under 35 U.S.C. 103 based on prior art.[3] But the examiner was required under 35 U.S.C. 103 to consider not only re-

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[1] Respondents complain (Resp. Br. 24–26) that clerks in the Patent Office's Application Division arbitrarily assigned their application to a computer examining group while the Gould and Davis applications were assigned to a chemical examining group. This assignment, say respondents, resulted in rejection of their application and approval of those of Gould and Davis. But while the Application Division is initially responsible for assigning each application to an art group, the supervisory primary examiner in each art group must then review each application to determine if it has been properly assigned to his group. Patent and Trademark Office, *Manual of Patent Examining Procedure* §§ 903.08(a) and (d) (1980). If it does not belong in his group, the supervisory primary examiner must transfer the application to the proper group (*id.* at § 903.08(d)). As we have shown, the decision to assign respondents' application to the computer examining group was correct, for the linchpin of respondents' claimed invention is a programmed computer (see Pet. App. 5a n.3, 21a–22a).

[2] The instant application is a continuation of an earlier one.

[3] Section 103 requires the Patent Office to reject an application "if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art * * *."

spondents' method of surface sensing and repeated temperature measuring but also their claimed use of a programmed computer to recompute the cure time. He undoubtedly believed that the programming of the computer made the process sufficiently different (cf. Gould and Davis' suggestion for using a "digital computer" (Pet. App. 67a)) for respondents' invention to pass muster under Section 103.[4] This forcefully serves to highlight the importance of following the Section 101 analysis prescribed in *Parker* v. *Flook*, 437 U.S. 584 (1978), of first assuming the computer "algorithm * * * to be within the prior art" (*id.* at 594) and only then considering what remains "as a whole" (*ibid.*) to determine if it is "well known" (*ibid.*). That indeed is what the Board of Appeals did in this case (Pet. App. 21a–24a), and what the Court of Customs and Patent Appeals refused to do (Pet. App. 13a–14a & n.6).[5]

[4] Contrary to the suggestion in the American Patent Law Association Amicus Brief (at 3, 4 & n.4), a decision that the application discloses patentable subject matter will thus probably mean that the patent will issue.

[5] Respondents (Resp. Br. 29–31) and the American Patent Law Association (APLA Amicus Br. 8–11) contend that the CCPA has been evenhanded in its interpretation of *Flook* and *Gottschalk* v. *Benson*, 409 U.S. 63 (1972), because the court has reversed the Patent Office's rejections in some computer program cases and affirmed them in others. But counting cases is hardly a substitute for a careful analysis to determine whether the CCPA is properly interpreting *Benson* and *Flook*. Had such an analysis been made it would have revealed that the court is applying a different, pre-*Flook* test (see *In re Freeman*, 573 F.2d 1237, 1245 (C.C.P.A. 1978)) that requires approval of the patent under Section 101 unless all that is claimed is a mathematical formula and the claim wholly preempts the formula (see, *e.g.*, *In re Johnson*, 589 F.2d 1070, 1075–1076 (C.C.P.A. 1978); *In re Phillips*, 608 F.2d 879, 882–883 (C.C.P.A. 1979)).

For the reasons stated herein and in our main brief, the judgment of the Court of Customs and Patent Appeals should be reversed.

Respectfully submitted.

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